

New York City Industrial Development Agency

Not-for Profit [501(c)(3)]

Project Financing Application

By what date do you wish to close the proposed project financing? 9/1/2001

I. APPLICANT INFORMATION

Applicant's Name: Magen David Yeshivah

Address: 50 Avenue P, Brooklyn, New York 11204

Phone #: (718) 236-5005
(718) 331-4002 Fax #: (718) 331-1471

IRS Employer ID Number: [REDACTED] S.I.C. Code:

NY State Dept. Of Labor Number (if applicable): [REDACTED]

Officer of Applicant completing this application (contact person):

Name: Joel J. Gindi Title: Executive Director Phone #: (718) 331-4002 x2

Applicant type of Organization (i.e., Social Services, Private School): Private School

Brief description of service: Private Parochial Elementary & High School

Applicant's State of Incorporation or Registration: New York State

Applicant's Attorney: Name: Nathan Abramowitz Phone #: [REDACTED] Fax #: (212) 692-1020

Firm and Address: Duane Morris, 380 Lexington Ave., New York, NY 10168

Applicant's Accountant: Name: Frank Brovender Phone #: [REDACTED] Fax #: (212) 302-0973

Firm and Address: Hecht & Co., 111 West 40th Street, New York, NY 10018

II. PROJECT INFORMATION

1. Describe in detail the nature of the proposed project. Describe the proposed project site and any improvements currently on it. Describe proposed construction/renovation, if any.

Intend to build two story building, 100 classrooms to accommodate 2000 students, on McDonald Avenue and Lake Street, between Avenues S & T, in Brooklyn, New York.

2. Why does the Applicant plan to undertake the project? What are the objectives to be achieved through the project?

We wish to accommodate growing population and do not want to turn away children who are seeking a quality education.

3. Indicate the estimated dates for construction/renovation start and completion and financing drawdowns.

Start - December 1, 2001

Complete - June, 2003

4. Please give best estimates for all costs involved in the proposed project:

SEE ATTACHED EXHIBIT A

4. Please identify proposed sources and amounts of funds to finance the above project costs:

SEE ATTACHED EXHIBIT A

5. Provide the following information relating to the proposed project site.

<u>Street Address & Borough</u>	<u>Block Lot & Section Number</u>	<u>Square Footage of Land</u>	<u>Square Footage of Building</u>	Number of Floors Including <u>Basement</u>	<u>Zoning</u>
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SEE ATTACHED EXHIBIT B

6. Give the following information with respect to all present tenant(s) and sub-tenants at the proposed project site. N/A

Name, Contact Person & Tel.	Square Feet & Floors Occupied	Lease Expiration/Renewal

7. Will any entity/person other than Applicant use the project facility? Does Applicant intend to lease a portion of the project facility, and, if so, will there be tenants other than those listed under question #6? Provide all details.

No

8. Provide street address, borough or town, for premises which you currently own or lease, even if you don't occupy same. Do you plan to terminate/sell/vacate/remain at such premises? Provide all details. With respect to currently leased premises, provide the name and address of landlord and the expiration date of the lease term.

50 Avenue P, Brooklyn, NY 11204	Vacate*
7801 Bay Parkway, Brooklyn, NY 11214	Remain
7815 Bay Parkway, Brooklyn, NY 11214	Remain
49 Avenue T, Brooklyn, NY 11223	Remain

49 Avenue T, leased premises
 Landlord - Gesher Yehuda, 49 Avenue T, Brooklyn, NY 11220
 Expiration - July 31, 2004

*We will vacate the premises at 50 Avenue P upon completion of the Project.

III. MANAGEMENT INFORMATION

1. Please provide the resumes of the principal officers of the applicant. Make sure that this includes age, education, employment history, current title and responsibilities.

SEE ATTACHED EXHIBIT C

2. Please provide a list of Board of Directors and their affiliations.

SEE ATTACHED EXHIBIT D

3. Give a detailed history of the Applicant and detailed description of Applicant's organization.

SEE ATTACHED EXHIBIT E

IV. DUE DILIGENCE

This section asks for more specific information about Applicant's services. Please complete the following questions using attached Due Diligence Sheets, when necessary.

1. How many employees does Applicant employ in New York city at the present time?

Full-Time 318
(minimum 35 hours per week)

Part-Time 13
(minimum 20 hours per week)

2. How many employees does Applicant employ outside of New York city but in New York State?

Full-Time None
(minimum 35 hours per week)

Part-Time None
(minimum 20 hours per week)

3. Does Applicant intend to employ new additional employees at the proposed project site, or will Applicant transfer current employees from premises presently being used? Please provide details.

We will transfer current employees to new site and will hire new personnel as we increase student body.

4. List union affiliation, contact person, phone and fax numbers and contract expiration date on attached Due Diligence Sheet.

None

5. List bank affiliation, contact person, phone and fax numbers and account number on attached Due Diligence Sheet.
6. List any funding sources, their addresses, contact persons and phone and fax numbers on attached Due Diligence Sheet.
7. List the principal officers of Applicant, their home addresses, titles, dates of birth and social security numbers on attached Due Diligence Sheet. (This is in addition to the resumes in Question III. (1.).)
8. Has Applicant, or any officer or director, or any entity with which any of the foregoing individuals have been associated, ever been adjudicated bankrupt or placed in receivership, or otherwise been the subject of a bankruptcy or similar proceedings (prior or current)?
 YES NO If yes, provide all details on attached sheet.
9. Have any of Applicant's officers or directors ever been convicted of any criminal proceedings?
 YES NO If yes, provide all details on attached sheet.
10. Is Applicant, or any officer or director of Applicant, a plaintiff or defendant in any civil or criminal proceedings?
 YES NO If yes provide all details on attached sheet.
11. In what litigation is Applicant, or any of the individuals and entities listed in response to Questions 10, and 11 currently involved, either as plaintiffs or as named defendants? Provide all details on attached sheet.
12. Does Applicant have any contingent liabilities? (*e.g., pending claims; federal, state or city tax liabilities; judgments, liens, etc.*)
 YES NO If yes, provide all details on attached sheet.
13. Has Applicant filed all required tax returns with appropriate governmental entities?
 YES NO

DUE DILIGENCE SHEET

1. Principals

Name Eddie J. Esses
Address _____

Social Security # _____
Date of Birth 2/19/1958
Title President

Name Steve Shamah
Address _____

Social Security # _____
Date of Birth 5/18/1959
Title President

Name Aslan Bawabeh
Address _____

Social Security # _____
Date of Birth 5/30/1946
Title Vice President

Name Ken Cayre
Address _____

Social Security # _____
Date of Birth 9/5/1943
Title Vice President

Name Robert Shamah
Address _____

Social Security # _____
Date of Birth 9/8/1956
Title Secretary

Name Morris A. Hidary
Address _____

Social Security # _____
Date of Birth 8/9/1959
Title Vice President

Name Jack I. Hidary
Address _____

Social Security # _____
Date of Birth 9/8/1961
Title Treasurer

Name Joey A. Franco
Address _____

Social Security # _____
Date of Birth 11/7/1961
Title Associate Treasurer

Name Jesse Sutton
Address _____
Social Security #: _____
Date of Birth: 7/2/1969
Title: Associate Secretary

DUE DILIGENCE SHEET...

2. Funding Sources

Name _____
Address _____

Phone # _____
Fax # _____
Contact Person _____

Name _____
Address _____

Phone # _____
Fax # _____
Contact Person _____

Name _____
Address _____

Phone # _____
Fax # _____
Contact Person _____

Name _____
Address _____

Phone # _____
Fax # _____
Contact Person _____

3. Unions

Union Name _____
Contact Person _____
Phone # _____
Fax # _____

Union Name _____
Contact Person _____
Phone # _____
Fax # _____

4. Banks

Bank Name Chase Manhattan Bank
Contact Person Victoria Aridizzone
Phone # (718) 234-5551
Fax # (718) 232-2201
Type of Account Operating Account

Bank Name HSBC
Contact Person David Mehani
Phone # (212) 525-8588
Fax # (212) 525-5676
Type of Account Operating Account

V. CONFIDENTIALITY

All information contained in this Application will be treated confidentially to the extent permitted by law (see "Certification" section V of this Application). Since under the "New York State Freedom of Information Law" information must be disclosed unless such information contains trade secrets (which, if disclosed, would cause irreparable harm), Applicant must, in the space provided below, indicate which information provided in this Application it believes falls into such category and an explanation as to why.

VI. CERTIFICATION

I, the undersigned, request on behalf of Magen David Yeshivah ("Applicant") that this Application be submitted for review by the Board of Directors of the New York City Industrial Development Agency (IDA). I hereby certify that the information contained herein and in the attachments hereto, are, to the best of my knowledge and belief, accurate, true and correct. I understand that any intentional misstatements or misleading information contained herein, or the omission of relevant information, could be cause for rescission of IDA approval and IDA benefits. I acknowledge receipt from the IDA of a memorandum explaining legal, insurance and various real estate related requirements, all of which will be necessary for the contemplated project financing.

On behalf of Applicant, I hereby acknowledge and agree that Applicant shall be, and is responsible for, and shall promptly pay all costs incurred by IDA, in connection with document negotiations, closing and, where applicable, bond issuance and sale, whether or not closing occurs and whether or not bond issuance and sale occur in applicable instances. The aforesaid costs, and Applicant's obligation hereunder to pay for same, shall include, but not be limited to, attorney's fees. Applicant's obligations hereunder are absolute and shall in no event be contingent upon closing.

On behalf of myself, all other principals of Applicant, and Applicant, I hereby authorize New York City Industrial Development Agency and the New York City Department of Investigation (DOI) to initiate their background clearance procedure with respect to myself, all other principals of Applicant, and Applicant. I, all other principals of Applicant, and Applicant agree to give DOI permission to secure all necessary personal data from all relevant sources, public and private, and I, all other principals of Applicant, and Applicant further agree to cooperate in all phases of the DOI background and clearance procedure. I, all other principals of Applicant, and the Applicant agree to hold IDA and the City of New York harmless with respect to any claims for injury, damage, loss or expense which may arise should the above mentioned background clearance procedure not be completed satisfactorily.

On behalf of Applicant and its existing and future affiliates, I authorize any private or governmental entity, including but not limited to The New York State Department of Labor ("DOL"), to release to IDA and/or to the New York City Economic Development Corporation ("EDC"), and/or to the successors and assigns of either (collectively, the "Information Recipients"), any and all employment information under its control and pertinent to Applicant and its existing and future affiliates and the

CERTIFICATION...

employees of same. In addition, upon IDA's request, Applicant shall provide to IDA any employment information in Applicant's possession or in the possession of any of Applicant's existing and future affiliates, which is pertinent to Applicant and Applicant's existing and future affiliates and the employees of same. Information released or provided to Information Recipients by DOL, or by any other governmental entity, or by any private entity, or by Applicant itself (collectively, "Employment Information"), may be disclosed by the Information Recipients in connection with the administration of the programs of the IDA, and/or EDC, and/or the successors and assigns of either, and/or The City of New York, and/or as may be necessary to comply with law; and, without limiting the foregoing, the Employment Information may be included in (x) reports prepared by the Information Recipients pursuant to New York City Local Law 69 of 1993, (y) other reports required of IDA, and (z) any other reports required by law. If IDA approves this Application and the IDA Board of Directors approves the financing project which is the subject of this Application, this authorization shall remain in effect through the term of the financing lease which the Applicant and IDA will enter into at closing. If IDA does not approve this Application, and/or the IDA Board of Directors does not approve the financing project which is the subject of this Application, this authorization shall remain in effect through the earlier to occur of the aforesaid decisions not to approve.

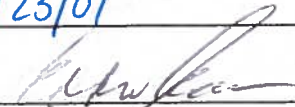
I, all other principals of Applicant, and Applicant, understand that IDA may be requested to disclose the information contained in this Application and the attachments hereto, under applicable disclosure laws, or at the request of investigative law enforcement or other governmental bodies. On behalf of myself, all other principals of Applicant, and Applicant, I authorize IDA to disclose any such information, under such law or where so requested, and I, all other principals of Applicant and the Applicant release IDA from any liability to the Applicant, all other principals, and/or myself for such disclosure. I also authorize IDA at its discretion to transmit this Application or any financial data submitted herewith to prospective lenders, such as banks or insurance companies, and to IDA's financial advisors.

On behalf of Applicant, I acknowledge and agree that IDA reserves the right to require Applicant to submit at Applicant's sole expense, such other documentation as IDA may require in addition to the documentation required hereunder, and that all such documentation, whether requested hereunder or hereafter, shall be provided at Applicant's sole cost and expenses, and shall be in form and substance satisfactory to IDA.

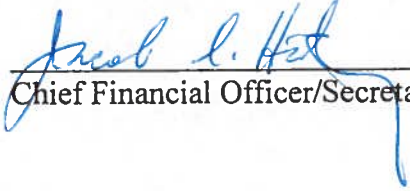
CERTIFICATION...

Approval of this Application may only be granted by IDA's Board of Directors through the Boards, adoption of an inducement or authorizing resolution for the project described in this Application. Additionally, it is understood and agreed that the \$2,500 Application fee accompanying this Application is non-refundable, regardless of whether or not this Application is so approved. Applicant acknowledges and accepts that: the \$2,500 Application fee will accrue toward payment of the IDA Closing Fee should closing occur; and if and when the IDA's Board of Directors approves this Application, the Agency may additionally require Applicant to pay at such time an amount equal to 10 basis points of the bond/project amount (as applicable), which payment shall also accrue toward payment of the IDA Closing Fee should closing occur.

Date: 7/23/01

Certification By: 
Signature of Chief Executive Officer

Eddie J. Esses
Printed Name

Attested By: 
Chief Financial Officer/Secretary

Jack I. Hidary
Printed Name

PUBLIC HEARING QUESTIONNAIRE

State and Federal laws require that the New York City Industrial Development Agency ("IDA") hold public hearings, prior to the approval of projects, at which time State law additionally requires that Core Applications and cost-benefit analyses of proposed projects be available for public review. The IDA understands that certain information in your Core Application may be sensitive, and that you may desire confidentiality for such information. While the IDA retains discretionary control over how much information is made available at the public hearing, we would like you to indicate below any application information that is of particular concern to you. Your cooperation will assist the IDA in maintaining confidentiality while complying with its public hearing responsibilities.

Please list the question number(s) in core application which contain sensitive information to the applicant.

Section IV, Number 4

Briefly explain why the above information is sensitive to the applicant.

The Officers of Magen David Yeshivah are all volunteers, and would prefer that their addresses and social security numbers be confidential

Applicant: Magen David Yeshivah

Signature: 

Name: Eddie J. Esses

Title: President

Date: 7/23/01